

**Dear Trading Partner,**

***We have assembled this bulletin to inform all of our trading partners of current and upcoming changes and enhancements to the Kentucky workers' compensation EDI program. DWC is committed to working closely with trading partners to assure that exchange of information is efficient and accurate. If you have questions regarding the subjects discussed herein, please feel free to call John Spicer at (502) 564-5550 x.540 or Preston Gorman at x.426. John and Preston may also be reached by e-mail at [jspicer@mail.state.ky.us](mailto:jspicer@mail.state.ky.us) or [pgorman@mail.state.ky.us](mailto:pgorman@mail.state.ky.us).***

## **Manual Change Request Form (First Reports of Injury)**

It is customary for trading partners to submit changes to previously submitted first reports by submitting new records with maintenance type code 02 or CO. Because some key fields are used for indexing records into meaningful sequences, and to assure that original transmissions are not unnecessarily compromised, altering these fields electronically cannot be permitted. However, realizing that changes to these fields are frequently required, DWC has developed a paper form for requesting changes to key fields in previously transmitted EDI records. Copies of this form can be obtained on the DWC Web site at [www.state.ky.us/agencies/labor/edi/](http://www.state.ky.us/agencies/labor/edi/) or by calling Preston Gorman at (502) 564-5550 x.426. DWC will be maintaining a manual file of requests for changes submitted via the paper form. Therefore it is imperative that the form be signed and submitted by fax or by mail.

Key Fields: (change request form required)

Date of Injury  
Nature of Injury Code  
Date Reported to Employer  
Date Reported to Claims Administrator  
Social Security Number

## **Changes in Kentucky Injury Reporting Requirements**

A review of the first report of injury data element table has prompted the DWC to amend its data reporting requirements. The new requirements table lists changes which will be effective November 1, 1999. For example, some fields will no longer be required as indicated by blanks in the MTC columns. The field "Date Disability Began" has been changed from optional to mandatory. The field "Wage" has been changed from mandatory to optional, and the field "Wage Period" has been changed from mandatory to conditional in that if a "Wage Amount" is filed, the condition for "Wage Period" has been met.

As of November 1, 1999, the requirements for MTC codes 00, 04, and AU will be identical. Often the first notification of injury is a denial or a claim acquisition, hence a thorough reporting of the injury information will be required as would be the case for an original first report (00).

Through analysis of the data we have received, edits have been developed to assure quality of the data reported in mandatory fields. In the past, mandatory fields have been accepted with information not considered accurate and with values inconsistent with IAIABC standards. Therefore, in the future, data populating these fields will be scrutinized more carefully. Much attention will be focused on FEIN numbers. All three FIEN numbers (for employer, carrier, and TPA) cannot be the same. In those instances where a self-insured indicator is present, the insurer and employer FEIN can be the same. However, third party administrator FEIN's must be different than the insurer FEIN.

The Department of Workers Claims maintains a FEIN table derived from proof of coverage information transmitted to the

Department. Carrier FEIN numbers are verified with the Department of Insurance prior to being loaded into the DWC FEIN table. Please be aware that as of November 1, 1999, records containing invalid data in required fields, including FEIN numbers, will be rejected. If you have any questions relative to your FEIN number, please call Judy Wells at (502) 564-5550 x.487.

## **Proof of Coverage**

Effective October 1, 1999, Kentucky is terminating the designation of NCCI as a proof of coverage data collection agent and pending further notice, will no longer accept submissions via NCCI.

As part of the Department of Workers Claims' commitment to electronic data interchange (EDI) we have chosen to open new doors for filing Proof of Coverage data to any trading partner that demonstrates the immediate capability of meeting the Department's proof of coverage data filing requirements.

Kentucky does not intend to abandon its requirement that proof of coverage data be electronically transmitted to the department in accordance with the IAIABC standards. The Department of Workers Claims continues testing electronic transmission products to ensure reliability prior to adding companies to our approved vendor list. In order for a product to gain approved status, it must contain three basic elements. The product must demonstrate the ability to transmit all mandatory data elements adhering to the conditions outlined in the Kentucky Department of Workers Claims Proof of Coverage Element Table: generate an archive file; and provide an electronic acknowledgment process for notifying customers within forty-eight (48) hours of receiving the acknowledgment file from Kentucky.

Opening the "Proof of Coverage door" will provide Kentucky trading partners the freedom to take full advantage of the opportunities available in a thriving EDI environment. Recently, the Department of Workers Claims purchased a license

to use an Internet option developed by Workers' COMP-LINK permitting direct reporting of proof of coverage information to Kentucky. This procedure provides an immediate acknowledgment to the carrier that the POC information was successfully transmitted to the Department of Workers Claims followed by an acknowledgment twenty-four (24) hours later informing the carrier of acceptance or rejection of the transaction. Additional innovative products for filing proof of coverage data electronically are expected to be available in the very near future.

## **Medical Bill Reporting**

The Department of Workers Claims has adopted the International Association of Industrial Accident Boards and Commission's (IAIABC) standards to medical bill reporting (ANSI 837 Health Care Claim, 4010 version). The IAIABC EDI Implementation Guide for Medical Bill Payment Reporting is anticipated for release September 15, 1999. Due to the delays in the release in this publication, the Department of Workers Claims has extended the deadline for being in production with medical bill payment reporting to February 1, 2000. Although the deadline for production status has been extended, medical bill payments made on or after July 1, 1999 must be reported retroactively, once production status is obtained, but not later than February 1, 2000.

In order to ensure quality electronic data is being transmitted, all trading partners are required to complete a "parallel testing", coordinated by a member of the Department of Workers Claims staff. Parallel testing requires three (3) successful transmissions of medical bill payments reports accompanied by the supporting paper documents. After payment data has been verified and passes all edits, the trading partner will gain production status. If you have any questions relative to parallel testing, please contact Rob Dolbow at (502) 564-3070.

Parties who have previously purchased medical bill reporting requirements manuals from the IAIABC will be provided, by the IAIABC, with the new edition at no additional cost. Parties interested in purchasing this manual should contact Stan Rasmussen, Director of Education and Research at (785) 840-9103.

### DWC EDI Event Tables

The event tables found under the link "EDI documentation", listing MTC codes, definitions, statutory requirements, and conditions of acceptance, will be effective as of November 1, 1999 for all EDI First and Subsequent Report transmissions. Validation requirements in DWC databases are being implemented to assure that the acceptance of records is contingent upon satisfaction of all conditions in the event table. Records which do not meet the requirements of the event table will be rejected.

### Periodic Reports

Due to an oversight on the part of DWC, we mistakenly reported that a UR code had to be used by all ANSI X12 Trading Partners in order to meet the filing requirements of the periodic report, known to Flat File partners as the BM report. After speaking with several of our X12 Trading Partners, we have been informed that X12 format does permit the selection of the BM code to report a "Bi-Monthly" periodic report, as well as all of the other periodic reports the IAIABC allows for. DWC apologizes for this oversight.

Since the UR code is not required for the filing of X12 periodic reports, DWC has determined that the UR code is not an MTC it needs for any general or specific use. Therefore, DWC has eliminated the UR as a possible code any Trading Partner would have to file, however, since it is part of the IAIABC list of codes, it will remain on the Event Table. -

(Revised 10/5/99)

### Statute of Limitations Notification Letters

Upon receipt of a record with MTC code S1 or 04, DWC issues a letter to the injured worker informing of rights under KRS 342.185 regarding statutes of limitation for filing compensation claims. Letters generated upon receipt of an MTC code S1 (suspension of benefits due to capacity to return to work) inform the injured party that he/she may file application for claim resolution within a period of two years after the date of termination of income benefits. Letters generated upon receipt of an MTC code 04 (denied claim) inform the injured party that he/she may file application for claim resolution within a period of two years after the date of injury. Previously, statute letters were issued only upon receipt of an 04 (Denial) subsequent report. Effective November 1, 1999, statute letters will also be issued upon receipt of an 04 first report of injury.



*This agency does not discriminate on the basis of race, color, national origin, religion, age or disability in employment or provision of services.*

KY Department of Workers Claims  
Perimeter Park West, Building C  
1270 Louisville Road  
Frankfort, KY 40601  
502-564-5550

<http://www.state.ky.us/agencies/labor/wrkclaim.htm>